VZCZCXYZ0000 RR RUEHWEB

DE RUEHUL #3764/01 3050842
ZNY CCCCC ZZH
R 010842Z NOV 06
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC 1074
INFO RUEHBJ/AMEMBASSY BEIJING 1444
RUEHKO/AMEMBASSY TOKYO 1536
RHHMUNA/CDR USPACOM HONOLULU HI
RUALSFJ/COMUSJAPAN YOKOTA AB JA
RHMFISS/COMUSKOREA J2 SEOUL KOR
RHMFISS/COMUSKOREA J5 SEOUL KOR
RHMFISS/COMUSKOREA SCJS SEOUL KOR
RHHFISS/COMUSKOREA SCJS SEOUL KOR
RHEHNSC/NSC WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//

CONFIDENTIAL SEOUL 003764

SIPDIS

SIPDIS

E.O. 12958: DECL: 12/10/2014

TAGS: PGOV PREL KS

SUBJECT: KOREA'S NEW MINISTER OF UNIFICATION: LEE JAE-JEONG

Classified By: POL M/C Joseph Y. Yun. Reasons 1.4 (b,d).

11. (SBU) SUMMARY: Lee Jae-jeong, Senior Vice President of the Advisory Council on Democratic and Peaceful Unification, former Assemblyman (2000-2004), Anglican Pastor and former Campaign Publicity Director for Roh Moo-hyun's 2002 campaign, was nominated November 1 to be the next Minister of Unification. He is known for his close relationship to Roh and his reasonable stance on U.S.-ROK relations and will likely focus on humanitarian aid in his approach to North Korea. According to Uri Rep. Lee Jong-kul, a close confidant of Lee Jae-jeong, "Lee will be significantly different than former Minister Lee Jong-seok and there will be some shifts in ROK's North Korea policy." The relatively moderate Lee will likely not receive much resistance in the National Assembly on policy issues but rather for his past convictions for receiving illegal campaign funds and for his relationship with President Roh. Despite the resistance he will face, he will likely pass through his pro-forma hearings at the National Assembly that will likely take place between November 14 and 21. END SUMMARY

BIOGRAPHY

12. (U) Lee was born in 1944 in North Choongchung province and received a BA in German from Korea University and a MA in Religious studies from the University of Manitoba and a Doctor of Divinity from the Toronto School of Theology.

Posts he has held include:

- Pastor of Anglican Church, 1981-2
- Chairman of Human Rights Committee, 1976-82, 1999-2003
- President of Sung Kong Hoe (Anglican) University
- Chairman of Inter-Korean Exchange and Cooperation Committee
- Proportional Representative with the Millennium Democratic Party (MDP), 2000-4 (NOTE: He left the MDP with Roh and went to the Uri Party when it formed in 2003. END NOTE)
- General Affairs Committee Chairman, Uri Party, 2004
- Senior Vice Chairman, National Unification Advisory Council, 2005-Present

LEE'S STATEMENTS ON THE NORTH

¶3. (U) In public statements, Lee has said the following regarding North Korea: "It is not desirable to over-interpret the reasons for a possible second nuclear test by North Korea since looking at other countries' cases, it is not uncommon for a country that conducted one test to follow up with another test," he said on October 18.

"Since the North Korea nuclear issue should be resolved between the U.S. and the DPRK, the U.S. needs a more flexible policy to resolve the situation through dialog with the North."

"The Kaesong Industrial Complex (KIC) needs to be maintained and developed with a longer term perspective. The Mt. Kumgang project also needs to continue, since it significantly contributes to peace."

IMPACT

¶4. (C) Lee was recommended for the post by outgoing Minister Lee Jong-seok. The two share strong support of engagement and the Sunshine Policy. By the opposition GNP, Lee's appointment will be characterized as cronyism, or in Korean parlance, matching the "code" with President Roh. Our GNP contacts have said that Lee was unqualified for the job; made dubious moral judgments in the past; and that the GNP would attack him vigorously during his hearings in the Assembly.

ILLEGAL FUNDRAISING FOR ROH

15. (C) The "dubious moral judgments" remark relates to Lee Jae-jeong's arrest and indictment on charges of illegal political fundraising during the 2002 presidential election campaign when he was serving as a key advisor to President Roh. He was convicted of receiving \$1 million from Hanhwa Group. He was later pardoned and had his rights reinstated. Even Uri Party officials say there could be resistance due to his "moral problems" in the past. However, according to Uri Representative Yoo Jay-kun, "Lee is qualified so there should be no problem with his appointment. In addition, the campaign finance charges were not criminal - Lee was simply arrested as a scapegoat."

LIKELY NOMINATION PROCESS

16. (C) Lee's hearing at the Unification, Foreign Affairs and Trade Committee will likely occur between November 14 and 21. While there will be fierce resistance to his nomination from the GNP and some from the Uri Party, the committee will likely focus its efforts on attacking FM-nominee Song Min-soon. According to Foreign Affairs Committee member Park Jin's chief of staff, the GNP realizes that to try to block all four nominees would be irresponsible, particularly considering upcoming Six Party Talks. Therefore, he speculated that the GNP would focus on strongly condemning the Song nomination and Lee could benefit from this. Committee member Gong Song-jin told poloff that since the Uri Party had the votes there was nothing the GNP could do to block any of the nominations.

COMMENT

17. (C) Many in the GNP are violently opposed to his nomination, and are committed to attack him vigorously in his hearings, but Lee will benefit from the fact that, unlike Song, he is new to the government. With his fluent English and deep experience in dealing with foreigners, Lee could prove to be a much more comfortable interlocutor for USG officials than Lee Jong-seok had been.